

**CITY OF NEWTON
PURCHASING DEPARTMENT**

CONTRACT FOR HUMAN RESOURCES DEPARTMENT

REQUEST FOR PROPOSAL:

**UTILIZATION REVIEW SERVICES
FOR
SELF-INSURED WORKER'S COMPENSATION PROGRAM
*RFP #11-83***

Submittal Date: May 12, 2011 at 11:00 a.m.

APRIL 2011

Setti D. Warren, Mayor

CITY OF NEWTON, MASSACHUSETTS
Purchasing Department
1000 Commonwealth Avenue
Newton Centre, MA 02459

REQUEST FOR PROPOSALS #11-83
UTILIZATION REVIEW SERVICES FOR
SELF INSURED WORKERS' COMPENSATION PROGRAM

INTRODUCTION/PURPOSE

The Chief Procurement Officer has determined that in order to select the most advantageous proposal to provide Utilization Review Services for its self-insured Workers' Compensation Program for the City of Newton, comparative judgments of technical factors will be necessary. The City believes that the organization serving in this capacity must possess a broad range of experience in the Workers' Compensation Utilization Review Services, as well as substantial knowledge of the public sector and self-insured Workers' Compensation programs.

The City of Newton (hereinafter referred to as the "City") seeks Mandated Utilization Review Services for its self-insured Workers' Compensation Program. Competitive sealed written proposals are invited in accordance with the provisions of Massachusetts General Laws c. 30B and the terms and conditions to bidders herein. Completed proposals shall be due no later than **11:00 a.m. on May 12, 2011**. All applicable experience data that is available is included in this bid package.

PROPOSAL PROCEDURE

Procedures under this RFP require **separate and confidential submissions**. **One envelope must be sealed and clearly marked "Price Proposal – RFP No. 11-83 Utilization Review Services"** and **4 copies of the Technical Proposal** submission sealed and clearly marked **"Technical Proposal – RFP No. 11-83 Utilization Review Services"** any technical proposal with pricing included will be immediately disqualified.

Technical proposals will be evaluated without knowledge of prices by a committee of Human Resources personnel. Once the evaluation is complete a summary will then be submitted to the Chief Procurement Officer. Price proposals (**submitted in a separate sealed envelope**) of only those proposals determined to be Advantageous or Highly Advantageous will then be opened. The Committee and the Chief Procurement Officer will determine the most advantageous proposal after taking into consideration the evaluation of technical proposals made by the committee together with a consideration of prices.

In accordance with the provisions of G.L. c. 30B, sec. 9, the City reserves the right to cancel the RFP or to reject in whole or in part any and all RFP if the City determines that cancellation or rejection serves the best interest of the City.

Proposals may be held open for a period of ninety (90) days after the proposal submission date unless award is made sooner or the time for award is extended by consent of all parties concerned.

This RFP is available online at : www.ci.newton.ma.us/bids RFP #11-83, or for pickup in the Purchasing Department, Room 204, Newton City Hall, 1000 Commonwealth Avenue, Newton Centre, MA 02459.

QUESTIONS

Any questions pertaining to the Request for Proposal are to be submitted in writing and directed to Rositha Durham, Chief Procurement Officer, City of Newton, 1000 Commonwealth Avenue Room 204, Newton Centre, MA 02459, fax 617-796-1227, not later than May 6, 2011 at noon. All questions shall be answered in the form of an Addendum and posted on the City's website www.ci.newton.ma.us/bids no later than May 9, 2011 at 5:00 p.m.

CONTRACT PERIOD

The term of this contract shall begin on **July 1, 2011 and extend through June 30, 2012**. The City, at its sole discretion, shall have the option to extend the contract for 2 additional one year terms with no change to the contract price and terms and conditions.

BACKGROUND

The City of Newton has permissibly administered a self-funded workers' compensation program for many years. The Workers' Compensation Agent is responsible for the overall administration of the program. Daily claims management is handled by a full-time Workers' Compensation Manager/Health & Safety Manager who is a Registered Nurse/Certified Occupational Health Nurse Specialist. Claims management assistance for the monitoring of claims and coordination of transitional work to full-time work is also provided on-site, on a contractual weekly basis, by a Registered Nurse, Case Manager. All claims data, including all medical records, are managed and analyzed on-site with a comprehensive Claims Management Software Program. All medical payments are reviewed and paid on-site within the guidelines set by the Massachusetts Rate Setting Commission for Workers' Compensation. The City of Newton also has on-site legal counsel for legal assistance as well as representation at the Massachusetts Department of Industrial Accidents for litigated cases. The City of Newton, also on a contractual basis, uses services of the Newton-Wellesley Hospital's Occupational Health-At-Work Program and Emergency facilities for medically treating and coordinating the follow-up medical care of all work related injuries as well as pre-employment physicals. Massachusetts General Law c. 152, s. 5, 13 and 30 as amended by St. 1991, c. 398. 452 CMR 6.00 requires Workers' Compensation insurers to undertake Utilization Review for certification of all mandated surgical procedures as well as all other required treatment plans on an ongoing basis.

SCOPE OF WORK

As required by Massachusetts General Law c. 152, s. 5, 13 and 30 as amended by St. 1991, c. 398. 452 CMR 6.00, all surgical procedures, as well as all other required treatment plans requested for a City of Newton employee must be authorized by a Massachusetts licensed Utilization Review Agent. Treatment and/or surgery requests will be forwarded from the requesting provider to the City. The City will then initiate a request to the Utilization Review Agent for one of the following:

- Pre-Authorization of services and/or admissions.
- Concurrent reviews of services and/or admissions.
- Retrospective reviews.

Requests will be forwarded via facsimile or email attachment to the Utilization Review Agent, with the Agent's referral form (if applicable), as well as applicable medical documentation. Reviews, when applicable, will be made based on the Treatment Guideline and Review Criteria developed by the Commonwealth of Massachusetts, Department of Industrial Accidents, Health Care Services Board. Agent must specify what guidelines are being used, whether it be the Massachusetts Health Care Service Board's Treatment guidelines, or another qualifying guideline. The Utilization Review Agent will forward approval to the requesting provider, the employee, as well as the City, via e-mail, facsimile, or regular mail within the required time frame(s); pre-authorization within 2 business days; concurrent review, if request is received three days prior to start/implementation date, within three days, and if not received within three days prior to start/implementation date, within 5 days, and for retrospective reviews, within 20 days. At a minimum, a copy of each approval must be sent to the City via e-mail.

If a request is denied, the Utilization Review Agent must provide the City, the provider, and the injured employee of an adverse determination and it must include review criteria, reasons for adverse determination, and the procedure to initiate an appeal. The Agent must also include a written description of the appeal procedure by which the attending practitioner and/or the injured employee may seek review of the determination by the Utilization Review Agent. Appeals must be made no later than 30 days from the date of receipt of notice of adverse determination. When request for an expedited appeal is made, determination must be made within two business days of the date the appeal is made. All other appeal requests must be determined within 20 business days from the date the appeal is filed.

Utilization Review Agents will make staff available by toll free telephone at least 40 hours/week between the hours 9:00AM to 5:00PM EST. They must have a telephone system that is capable of accepting or recording incoming telephone calls during other than normal business hours, and shall respond to these calls within two business day of receipt.

Utilization Review Agents must comply with all Massachusetts State Laws, and all other applicable laws to protect the confidentiality of medical records.

Invoices for all reviews performed shall indicate the type of review performed, for which billing is rendered, and shall be submitted monthly to the City of Newton, Human Resources Department, Room 218, 1000 Commonwealth Avenue, Newton Centre, MA 02459. Invoices must specifically list the name of each Employee, and the corresponding amount of the review.

MINIMUM EVALUATION CRITERIA

In order to be considered an eligible proposal, all respondents must answer "Yes" to the following questions and be prepared to provide supporting documentation as required by the City. In providing responses, proposers must complete and return this page with their "Technical Proposal". Any proposal not meeting all the minimum criteria shall be deemed non-responsive and their proposals will not be evaluated further.

1. Has the Utilization Review Agent been in the utilization review marketplace for at least 2 years?
Yes: _____ No: _____
2. Is the Utilization Review Agent approved by the Commonwealth of Massachusetts, Department of Industrial Accidents to perform utilization review?
Yes: _____ No: _____
3. Has the Utilization Review Agent worked with self-insured clients?
Yes: _____ No: _____
4. Does the Utilization Review Agent have registered nurses and/or licensed practicing nurses on staff to review claims?
Yes: _____ No: _____
5. Does the Utilization Review Agent have a secondary set of treatment guideline(s) and / or review criteria not covered by the Health Care Service Board Treatment Guidelines?
Yes: _____ No: _____
6. Can the Utilization Review Agent provide a statement regarding confidentiality?
Yes: _____ No: _____

COMPANY: _____

COMPARATIVE EVALUATION CRITERIA

1. Provide a brief statement on your organization, including the services it provides, in addition to Utilization Review of workers' compensation claims. Please note if your company subcontracts any portion of its utilization review program, and if so to whom.

Highly advantageous- Greater than 10 years experience in workers' compensation utilization review, with at least 2 years experience in municipal/government environment. Subcontracting not in place.

Advantageous- 2-10 years experience in workers' compensation utilization review. Subcontracting may or may not be in place.

Not advantageous- less than 2 years experience in workers' compensation utilization review. Subcontracting in place.

2. Provide a brief statement on the types of organizations your company provides Utilization Review services for.

Highly Advantageous- Currently working with self insurers, and municipalities.

Advantageous- History of working with self insurers, and/or municipalities.

Not advantageous- Never worked with self insurers and municipalities.

3. Provide a brief statement of the personnel who will be reviewing claims.

Highly Advantageous- One to two registered nurses, or licensed practicing nurses, dedicated to the review of requests for this account.

Advantageous- No more than a group of five registered nurses, or licensed practicing nurses, dedicated to the review of requests for this account.

Not advantageous- Randomly designated registered nurses or licensed practicing nurses, to review requests.

4. Please provide three references from current clients.

Highly Advantageous- References were uniformly excellent.

Advantageous- References were good.

Not advantageous- One or more negative reference.

Unacceptable - No references received.

5. List the secondary sources of treatment guideline(s) and/or review criteria your company uses for medical conditions not covered by the Health Care Services Board Treatment Guidelines.

Highly Advantageous- Utilizes proprietary/commercial and/or professional association guidelines.

Advantageous- Utilizes internally derived treatment guidelines and/or review criteria.

Not advantageous- No additional treatment guidelines and/or review criteria.

6. Include sample copies of the following:

- employee introduction letter outlining utilization review services
- approval determination letter
- adverse determination letter

Highly Advantageous- Samples of standardized letters are modified to reflect the City of Newton self-insurer.

Advantageous- Samples of standardized letters provided are in place and utilized.

Not advantageous- Samples of standardized letters not provided.

7. Provide a statement regarding confidentiality of employees' medical information, and the utilization review process. Attach policy if applicable.

Highly Advantageous- Confidentiality policy in place and forwarded with proposal.

Advantageous- Statement on confidentiality received.

Not advantageous- No statement or policy on confidentiality.

PRICE PROPOSAL

1. The price proposal (one copy) must be submitted in a **separate sealed** envelope clearly marked:
"Price Proposal – RFP #11-83"
2. The Price Proposal must be submitted on the Price Proposal form included herein.

Price will be used in conjunction with evaluative criteria to select the most advantageous proposal for the City of Newton.

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Price Proposal Sheet

This cost proposal shall be submitted in a separate sealed envelope, clearly marked,

“Cost Proposal: RFP #11-83 - Utilization Review Services for Self Insured Workers’ Compensation Program.”

Proposerø must submit prices for ALL items present on the Price Proposal Sheet.

All bids shall be based on the quantities set forth on the attached bid sheets. These quantities shall be used as a basis for the comparison of the price proposals. It is agreed that the quantities given in this proposal are assumed solely as a basis for the comparison of the proposals. While the quantities are based on the City's best estimates of the work to be performed during the term of this Contract, the City does not expressly or by implication agree that the actual amount of work will even approximately correspond herewith, and the City reserves the right to increase or diminish the amount of any class or portion of the work as it may deem necessary, without change of price per unit of quantity.

Pre-Authorization, Concurrent, and Retrospective Reviews:

	Unit Price	Qty	Total
a. Licensed UR Reviewer- Initial Referral	\$ _____	90	\$ _____
b. Licensed UR Reviewer- Subsequent Referrals	\$ _____	300	\$ _____
c. Peer review with Licensed UR Reviewer	\$ _____	12	\$ _____

Provider Appeal of Adverse Determinations:

Note: If the company charges a fee for the Licensed UR Reviewer in this instance as well, then that fee should be included in this price.

a. Peer Review- expedited	\$ _____	4	\$ _____
b. Peer Review- non-expedited	\$ _____	8	\$ _____

GRAND TOTAL \$ _____

(Company) _____ (Contact) _____

(Address) _____ (Signature) _____

(City, State, Zip) _____ (Date) _____

(Telephone) (_____) _____ (Fax) (_____) _____

(E-mail Address) _____

CERTIFICATE OF NON-COLLUSION

The undersigned certifies under penalties of perjury that this bid or proposal has been made and submitted in good faith and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee club, or other organization, entity, or group or individuals.

(Signature of individual)

Name of Business

ATTESTATION

Pursuant to MG c. 62C, § 49A, the undersigned acting on behalf of the Contractor, certifies under the penalties of perjury that, to the best of the undersigned's knowledge and belief, the Contractor is in compliance with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting child support.*

**Signature of Individual
or Corporate Contractor (Mandatory)

*** Contractor's Social Security Number
(Voluntary) or Federal Identification Number

By: _____
Corporate Officer
(Mandatory, if applicable)

Date: _____

* The provision in the Attestation relating to child support applies only when the Contractor is an individual.

** Approval of a contract or other agreement will not be granted unless the applicant signs this certification clause.

*** Your social security number will be furnished to the Massachusetts Department of Revenue to determine whether you have met tax filing or tax payment obligations. Providers who fail to correct their non-filing or delinquency will not have a contract or other agreement issued, renewed, or extended. This request is made under the authority of GL c. 62C, § 49A.

CERTIFICATE OF AUTHORITY - CORPORATE

1. I hereby certify that I am the Clerk/Secretary of _____
(Insert full name of Corporation)
2. corporation, and that _____
(insert the name of officer who signed the **contract and bonds**.)
3. is the duly elected _____
(insert the title of the officer in line 2)
4. of said corporation, and that on _____
(insert a date that is ***ON OR BEFORE*** the date the officer signed the **Proposal**.)

at a duly authorized meeting of the Board of Directors of said corporation, at which all the directors were present or waived notice, it was voted that

5. _____ the _____
(insert **name** from line 2) (insert **title** from line 3)

of this corporation be and hereby is authorized to execute proposals in the name and on behalf of said corporation, and affix its Corporate Seal thereto, and such execution of any contract of obligation in this corporation's name and on its behalf, with or without the Corporate Seal, shall be valid and binding upon this corporation; and that the above vote has not been amended or rescinded and remains in full force and effect as of the date set forth below.

6. ATTEST: _____ *AFFIX CORPORATE
(Signature of Clerk or Secretary)* SEAL HERE*
7. Name: _____
(Please print or type name in line 6)*
8. Date: _____
(insert a date that is ***ON OR AFTER*** the date the officer signed the **proposal**.)

* The name and signature inserted in lines 6 & 7 must be that of the Clerk or Secretary of the corporation.